

**WIC VENDOR AGREEMENT
BETWEEN THE STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH
OFFICE OF PUBLIC HEALTH
CENTER FOR COMMUNITY AND PREVENTIVE HEALTH
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)
P.O. Box 60630, New Orleans, LA 70160-0630**

AND

This WIC Vendor Agreement, hereinafter referred to as the “Agreement,” is entered into for the Louisiana Special Supplemental Nutrition Program for Women, Infants and Children (WIC) between the State of Louisiana, Louisiana Department of Health, Office of Public Health, Center for Community and Preventive Health, Special Supplemental Nutrition Program for Women, Infants and Children (WIC), hereinafter referred to as the “State agency,” and the above-named vendor, hereinafter referred to as the “Vendor.” If this Agreement is for a newly applying vendor the Agreement will begin on the date signed by the State agency. If this Agreement is for the reauthorization of a current vendor, the Agreement will begin on October 1st of the current year or the date signed by the State agency, whichever is later. This Agreement will expire on _____, unless it is terminated by either party pursuant to either this Agreement or applicable Federal law, regulation, and/or State law.

This Agreement does not constitute a license or a property interest. If the Vendor wishes to continue to be a WIC authorized Vendor beyond the period of this Agreement, it must reapply for authorization. If the Vendor is subsequently disqualified, the State agency will terminate this Agreement and, effective immediately, the Vendor may not accept WIC electronic benefits (EBT), food instruments (FIs) or cash-value vouchers (CVVs), and may not reapply for authorization until the disqualification period has ended. In all cases, the Vendor’s new application will be subject to the State agency’s current Vendor Selection Criteria and any Vendor Limiting Criteria in effect at the time of reapplication.

Part A. VENDOR Agrees to:

General Terms. Vendor shall –

1. Comply with all of the following: the terms of this Agreement; all applicable Federal and State statutes and regulations governing the WIC Program, including, but not limited to, 42 U.S.C. § 1786, 7 CFR Part 246, La.R.S. 46:450, and LAC 48:V.4101-4513; the Louisiana WIC Vendor Guide (“Vendor Guide”) inclusive of the Vendor Selection Criteria and the Sanction Schedule, including any changes thereto; the WIC Approved Food List (WIC-23) , including when EBT is implemented the WIC Authorized Product “UPC/PLU” List file (APL), and any changes made during the Agreement period; and all other memos, policies, procedures, formal instructions, and terms of participation issued related to vendors by the USDA or the State agency;

2. Understand that the State agency may reassess Vendor at any time during the Agreement period using the current Vendor Selection Criteria. The State agency will terminate this Agreement if the Vendor fails to meet the current Vendor Selection Criteria;
3. Understand that the State agency will, as part of the redemption process, make price adjustments to the purchase price of WIC transactions submitted by the Vendor for redemption to ensure compliance with all price limitations and maximum allowable reimbursement levels (MARLs) applicable to Vendor;

Nondiscrimination. Vendor shall –

4. Comply with the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Parts 15, 15a and 15b of Title 7 of the Code of Federal Regulations, Age Discrimination Act of 1975, section 504 of the Rehabilitation Act of 1973, and U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS) instructions to ensure that no otherwise qualified person be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination in any manner on the basis of race, color, national origin, sex, disability or age;

General Business Operations. Vendor shall –

5. Demonstrate business integrity as described in the Vendor Guide;
6. Transact and redeem FIs, CVVs and WIC EBT benefits properly using the processes described in the Vendor Guide;
7. When operating in an area where WIC EBT has been implemented:
 - a. Have the program participant accept/approve the WIC transaction. Store personnel must NOT accept or approve this transaction for the program participant.
 - b. Ensure the certified in-lane EBT redemption process allows a reasonable degree of security for protecting the Personal Identification Numbers (PIN) used by WIC recipients. Only the program participant may enter the PIN to initiate the transaction. The Vendor must not enter the PIN for the program participant.
 - c. Provide program participant with a three-part receipt of each transaction – Beginning Balance Receipt, WIC Foods Purchased Receipt, and Ending Balance Receipt.
 - d. Release the food benefits to the program participant any time the WIC EBT Card is decremented even if the system fails to build a claim file (see also A.32 of this Agreement).
8. Provide only the WIC-approved foods listed on the FI and CVV or electronically authorized on the EBT card;
9. Allow the purchase of all WIC-approved foods up to the full amount specified on any valid EBT card, FI, or CVV presented by a WIC participant or proxy;
10. Allow a WIC participant or proxy to use another form of payment (e.g. cash, Supplemental Nutrition Assistance Program (SNAP) benefits, credit or debit card, etc.) to pay the difference if the purchase price exceeds the dollar value on a CVV or cash-value benefit. Vendor must allow WIC participants or proxies to choose from the tender types accepted from all other customers;
11. Provide WIC-approved foods that are fresh and have not exceeded their “sell by,” “best if used by,” or other date limiting the sale or use of the food item;

12. Submit accurate prices to the State agency quarterly through the Vendor Portal or other means identified by the State agency; Vendor shall submit the current, non-sale prices of WIC-approved foods, as described in the Louisiana WIC Vendor Guide;
13. Derive 50 percent or less of annual food sales, as “food sales” is defined by Federal WIC Program regulations, from FI and EBT redemptions;
14. Provide to WIC participants or proxies only the authorized infant formula specified on the participant’s FI or EBT card, which the vendor shall obtain only from sources included on the authorized infant formula provider list (which can be found at <http://ldh.louisiana.gov/index.cfm/page/990>);
15. Maintain regular, established hours of operation and accept WIC EBT or FIs and CVVs a minimum of six days, and at least for a minimum of 48 hours, per week. Daily hours of operation must be consistent from week to week;
16. Use a cash register that generates receipts that include the date, total price, and the price of each item, along with a description of each food item received by the WIC participant or proxy, at each check-out lane;
17. When operating in an area where EBT has been implemented:
 - a. Maintain a State agency certified in-store WIC EBT-capable Electronic Cash Register (ECR) system in a manner necessary to ensure system availability for WIC redemption processing during all hours the store is open.
 - b. Maintain and operate its WIC EBT system in compliance with the Food and Nutrition Service (FNS) WIC Operating Rules for EBT (Operating Rules). In the event these Operating Rules are amended, the Vendor agrees to make changes to maintain compliance. The Operating Rules are at: <http://www.fns.usda.gov/wic/wic-electronic-benefits-transfer-ebt-guidance>
 - c. Maintain a State agency-certified WIC EBT system on an on-going basis that ensures system compliance with WIC policies and procedures, transacts Cash-Value Benefits, and ensures the accuracy of data.
 - d. Request State agency re-certification of the Vendor’s in-store ECR system if Vendor alters/revises the system in any manner that impacts the EBT redemption/claims processing system after initial certification. In the event an in-store WIC EBT ECR system is reconfigured or modified by the Vendor and/or other parties in such a way that the WIC in-store system no longer exhibits the required system accuracy, integrity, or performance required and under which requirements the WIC in-store system was certified, the State agency will not accept a claim file from the system. The Vendor is liable for the costs of all recertification events needed to return the WIC in-store system for all outlets covered by this Agreement to full compliance with the State agency’s system requirements. Failure to seek re-certification when the Vendor’s system is altered or revised will subject the Vendor to the financial liabilities described in Part B of this Agreement and/or disqualification as an authorized Vendor.
 - e. WIC EBT claim submissions must adhere to the International Federation for Produce Standards (IFPS) for Product Look-up Codes (PLU). Any fruit/vegetable PLU reserved for store use must map back to an IFPS International Standard PLU for the same produce in the WIC APL.
 - f. Return any WIC EBT card found in the store and unclaimed for 24 hours to the State agency.

18. Maintain at all times the required minimum stock of WIC-approved foods in the customer area of the store for purchase by WIC participants or proxies. "Minimum stock" as used in this Agreement shall mean the amount and kinds of food items specified by the State agency in the Vendor Guide, and available on the Program website. A vendor with infant formula theft concerns may keep infant formula in a secure area to meet the minimum stock requirement. A notice of the location and prices of infant formula must be posted in the area where shoppers would expect to find infant formula;
19. Display the prices of WIC-approved foods on the foods or on the shelves/display area in immediate proximity to the foods;
20. Maintain the establishment in a clean, orderly and safe condition, with no current sanctions for violations of local health code ordinances, and comply with applicable Federal, State and local health protection laws and ordinances;
21. Offer WIC participants, parents or caretakers of WIC infant and child participants, and proxies, the same courtesies offered to other customers;

Prohibited Practices. Vendor shall –

22. NOT provide alcohol, alcoholic beverages, tobacco products, unauthorized food items, nonfood items, or any other non-WIC items in exchange for WIC electronic benefits, FIs, or CVVs;
23. NOT provide in whole or in part cash or credit on an account (including rain checks), or other items of value in exchange for WIC electronic benefits, FIs or CVVs;
24. NOT charge a WIC participant or proxy prices that are higher than prices charged to other customers;
25. NOT charge a WIC participant or proxy more than the current shelf price for WIC-approved food;
26. NOT charge a WIC participant or proxy for foods not received by the WIC participant or proxy;
27. NOT provide coupons or certificates redeemable for cash, alcoholic beverages, tobacco products, or non-WIC items that are contingent upon a WIC EBT transaction or the redemption of a WIC FI or CVV;
28. NOT charge or collect sales tax on WIC purchases;
29. NOT claim reimbursement for the sale of WIC-approved foods in an amount that exceeds Vendor's documented inventory of those foods for the same period of time;
30. NOT receive or redeem a WIC FI or CVV and not accept an EBT transaction for food purchased or received at an address other than the physical address that appears in Vendor's application under Part 1. STORE INFORMATION in the "Store Street Address (Physical Location)" field;
31. NOT deposit a WIC FI or CVV into a bank account other than Vendor's bank account;
32. NOT charge, contact, question, or seek restitution from WIC participants, parents or caretakers of WIC infant and child participants, or proxies, for WIC-approved foods obtained with WIC electronic benefits, FIs, or CVVs regardless of whether the FIs, CVVs, or WIC EBT transactions were fully paid, not paid or only partially paid by the WIC Program;
33. NOT allow substitutions, provide cash, credit, refunds, or exchanges for WIC-approved foods obtained with FIs, CVVs, or WIC electronic benefits, except for exchanges of an identical WIC approved food item when the original item is defective, spoiled, or has exceeded its "sell by", "best if used by" or other date limiting the sale or use of the food item. "Identical WIC-approved food item" means the exact brand and size as the original item obtained and returned by the WIC participant or proxy;

34. NOT accept WIC EBT transactions or FIs or CVVs before the first day to use or after the last day to use, as stated on the FI or CVV or within the benefit time periods as authorized by the EBT card;
35. NOT redeem an FI or CVV or accept a WIC transaction on an EBT card that is issued to any owner, co-owner or management personnel of the Vendor or any relative thereof. Vendor is exempt from this requirement if the State agency determines there is no other WIC-authorized vendor in good standing within a 10-mile radius of the vendor;

Files, Signs, and Recordkeeping. Vendor shall –

36. Keep on file in the store, as noted in this Agreement, a copy of the Vendor Guide, this Agreement, and any memos, updates and amendments received from the State agency;
37. Display a sign, sticker or other notice of authorization as a WIC Vendor, furnished by the State agency, on or near the main entrance in an area visible to WIC participants or proxies;
38. Have the current WIC Approved Food List (WIC-23) readily accessible to all cashiers (available at <http://ldh.louisiana.gov/index.cfm/page/990>);
39. Provide, by due dates established by the State agency, all information requested by the State agency or its designee during the Agreement period;
40. Maintain, during and after any WIC authorization, for a period of four (4) full Federal fiscal years after the date the record was created and provide to the State agency upon request, paper or electronic records used for State or Federal tax reporting purposes and other WIC Program records including: inventory records showing all WIC purchases, wholesale and retail, in the form of invoices that identify the quantity and prices of specific WIC-approved foods, books of accounts, shelf price records, records of total food sales revenue, based on the definition of SNAP-eligible food items (available at <http://www.fns.usda.gov/snap/eligible-food-items>), which must be verifiable or documented, all WIC transactions, and other pertinent documents;
41. Make these documents available at a reasonable place and time for inspection and audit, upon the request of the State agency or its designee, the USDA, or the Comptroller General of the United States, including all FIs, CVVs, and EBT transaction records in the Vendor's possession and all required inventory and accounting records;
42. Allow authorized personnel to monitor the Vendor for compliance with WIC, this agreement, and/or Federal or State rules, regulations or policy governing the WIC Program;
43. Allow authorized personnel to conduct announced and unannounced audits of Vendor's inventory and records;

WIC Vendor Stamp, WIC Acronym, and Logo. Vendor shall –

44. Ensure that the WIC vendor stamp is used only for the purpose and in the manner authorized by the terms of this Agreement, State and Federal WIC Program rules as stated in regulations, applicable laws and policies, and the Vendor Guide;
45. Keep the WIC vendor stamp in a secure place and report loss of WIC vendor stamp to the State agency within 2 days of loss;
46. Ensure that the WIC vendor stamp is not duplicated, and that a duplicated stamp is not used by the Vendor;
47. Return the WIC vendor stamp to the State agency within 15 days following a change of ownership, store closure, cessation of operations, termination or expiration of this Agreement, or disqualification from the WIC Program; and return WIC vendor stamp to the State agency within 15 days of request after WIC EBT is operational;

48. Understand that the Federal WIC logo (Registration Number 1,641,644) and the WIC acronym (Registration Number 1,630,468) are registered service marks of the United States Department of Agriculture and their use is restricted;
49. Agree to use the acronym "WIC" only to identify the Vendor as an authorized WIC Vendor (in the store or in advertisements), to identify WIC-approved foods (in the store or in advertisements), and on tender type signs or the section of an advertisement that alerts customers of the types of payment accepted by the store;
50. Understand and agree that the WIC logo and acronym are not permitted to be attached or affixed to any products in the store; the Vendor is responsible for alerting suppliers, distributors, and manufacturers that they may not affix the WIC logo or acronym to products;
51. Understand and agree that Vendor may not include the acronym "WIC" in the name under which Vendor is registered in the WIC Program or in the name under which Vendor does business;
52. Understand and agree that Vendor may not include the WIC logo, or close facsimiles of the WIC logo, as determined by the State agency, in total or in part, either on any signs that are not furnished by the State agency, or in advertisements;

Duty to Notify. Vendor shall –

53. Notify the State agency in writing at least fifteen (15) days prior to or immediately upon knowledge of (whichever occurs first): the loss or relinquishment of Supplemental Nutrition Assistance Program (SNAP) retailer authorization; cessation of Vendor operations; a change in Vendor ownership, management, corporate officers, or majority stakeholders, merger, acquisition or change in form of business, legal standing, or authority to do business in Louisiana; a change of location; a change in store name (including d/b/a); or, a change in mailing address, e-mail address, or telephone number;
54. Agree and understand that this Agreement shall become null and void on the date of the loss or relinquishment of SNAP retailer authorization, cessation of Vendor operations, a change in Vendor ownership, or a change in store location of two or more miles walking distance (as determined by the State agency in accordance with the Vendor Guide) from the previous store location;
55. Immediately cease WIC business upon the occurrence of any events described in paragraph 54, above, and promptly deposit all FIs and CVVs in Vendor's possession and/or submit all EBT transactions;
56. Notify the State agency immediately upon the loss of internet service for the purpose of performing WIC EBT functions;
57. Use the Vendor/Participant Complaint Form, which is available online at <http://new.dhh.louisiana.gov/index.cfm/page/1032>, to immediately notify the State agency of any instance in which a WIC participant or proxy fails to comply with WIC requirements;
58. Notify the State agency if an individual, partnership, corporation, limited liability company, or other business structure is convicted of a criminal offense involving WIC, SNAP, or any other program funded and administered by the Food and Nutrition Service of the U.S. Department of Agriculture; and notify the State agency of all grocery stores wholly or partially owned or managed by the convicted individual, partnership, corporation, limited liability company, other business structure, or by a partner of a convicted partnership or an officer, of a convicted corporation or a convicted limited liability company;

Training. Vendor shall –

- 59. Ensure at least one representative participates in annual training on WIC Program requirements, and any other training sessions, as required;
- 60. Participate in interactive training at least once every three years. The State agency will have sole discretion to designate the date, time, and location of all interactive training, except that the State agency will provide Vendor with at least one alternative date on which to attend such training;
- 61. Ensure that employees who process WIC transactions, and other relevant staff, are trained in WIC Program requirements, including WIC EBT and FI and CVV processing procedures;

Responsibility. Vendor shall –

- 62. Be fully responsible for violations of this Agreement committed by its owners, officers, managers, employees, agents, representatives or other individuals who directly or indirectly participate in Vendor's operations;
- 63. Implement a corrective action plan, if imposed by the State agency, within the timeframe designated by the State agency. Corrective action plans shall not be used in lieu of State or Federal sanctions;
- 64. Maintain the confidentiality of any information gathered about a participant or their family through actions as a result of their participation in the WIC program;

Electronic Benefit Transactions (EBT), Food Instruments (FIs), Cash-Value Vouchers (CVVs), Deposits and Claims. Vendor shall –

- 65. Accept FIs and CVVs only from WIC participants, parents or caretakers of infant and child WIC participants, or proxies, as indicated with a name and signature on the WIC identification folder;
- 66. Ensure that the cashier enters the purchase price and date of use in ink for the WIC-approved foods actually purchased before an FI or CVV is signed and that the signature of the WIC participant or proxy is obtained and verified in the presence of the cashier;
- 67. Deposit FIs and CVVs for payment within thirty (30) days from the valid period stated on the FI or CVV;
- 68. Pay any claim assessed by the State agency within thirty (30) days of written request from the State agency;
- 69. Be fully responsible for any fees associated with processing a WIC transaction including any adjustment or rejection of any FI or CVV deposited by the Vendor or electronic benefit transacted by the vendor;
- 70. As described in Part B.8, below, submit any justification or correct any overcharges or other errors (pay a refund to the State agency or correct the processing error) to the State agency within thirty (30) days of written request from the State agency;
- 71. Address any disputed redemptions through the use of a WIC reimbursement form (WIC-20 or WIC-20e) within timeframes established in the Vendor Guide; and
- 72. Accept financial liability for any WIC transaction submitted for payment after 60 days from the date of the transaction.

Specific to EBT Claims. Vendor shall-

- 73. Accept financial liability for EBT benefit redemptions resulting from Hot Card transactions if the Vendor and any of its outlets covered by this Vendor Agreement have not connected to the

State agency's WIC EBT System within a contiguous 48-hour period of time and updated the Invalid Primary Account Number (PAN) Hot Card List file information at each of the Vendor's retail outlets covered by this Vendor Agreement.

74. Connect the Vendor's in-store system to the State agency's WIC EBT System at least once every 48 hours to download the WIC APL, the current Invalid PAN Hot Card List file, Error file, and Auto-Reconciliation (settlement) file;
75. Submit WIC EBT transaction batch files no more often than once every 24 hours nor less frequently than the 15th day of the month following the month in which the transaction occurred; and
76. Accept EBT transactions only from WIC participants, parents or caretakers of infant and child WIC participants, or proxies, as indicated by entry of a valid PIN.

Special Provisions for Above-50 -Percent Vendors. Vendors that derive or expect to derive more than 50 percent of their annual food sales revenue from WIC FIs or WIC transactions shall-

77. Accept reimbursements that neither result in higher food costs than if WIC participants or proxies transacted their WIC benefits at vendors that are not above-50-percent vendors (regular vendors), nor result in higher average payments per WIC authorized food item to above-50-percent vendors than average payments to comparable regular vendors; and
78. Agree to neither provide nor advertise nor indicate intent to provide customers with any incentive items, including the prohibited incentive items identified in the Vendor Selection Criteria Section of the Vendor Guide provided to applicant vendors and cross-referenced in items A1 and A2 of this Agreement.

Part B. STATE AGENCY Agrees to:

1. When EBT is implemented, make available the WIC Authorized Product "UPC/PLU" List file, the WIC Invalid PAN List (Hot Card List) file, Auto Reconciliation and Error files for previously submitted WIC EBT Claim files.
2. Provide the Vendor with instructions in the Vendor Guide for processing WIC transactions and provide the Vendor with assistance in understanding such instructions, as requested;
3. Accept for processing, valid, timely reimbursement claims from the Vendor for actual retail costs limited to the Not-to-Exceed amount for each specific WIC authorized food item applicable to the Vendor, for valid WIC EBT transactions accepted and redeemed in compliance with the conditions of this Agreement, the Louisiana Administrative Code, the Vendor Guide, and applicable Federal law, regulations, and policy;
4. Reject and adjust FIs deposited that are above the MARL established for the FI type and applicable vendor peer group;
5. Adjust WIC EBT payments made based on subsequent MARL calculations;
6. Make payment to the Vendor for actual retail costs not to exceed the MARL applicable to the Vendor, for valid WIC EBT transactions, FIs, and CVVs accepted and redeemed in compliance with the conditions of this Agreement, the Louisiana Administrative Code, the Vendor Guide, and applicable Federal law, regulations, and policy;
7. Delay payment, deny payment, or establish a claim when the State agency determines the Vendor has committed a violation that affects the payment to the Vendor;
8. Sanction the vendor for vendor overcharges or other error as provided below.

9. Provide the vendor with an opportunity to justify or correct a vendor overcharge or other error as addressed in the Vendor Guide;
10. Establish a claim in the amount of the full purchase price of each WIC FI, CVV or WIC EBT transaction that contains an overcharge or other error that has not been justified or corrected by the Vendor;
11. Offset any unpaid claim against any current or subsequent amounts to be paid to the Vendor;
12. Sanction the Vendor for failure to comply with Program requirements in accordance with Part C of this Agreement;
13. Establish vendor peer groups as established in the Vendor Guide;
14. Assign vendors to appropriate peer groups as established in the Vendor Guide;
15. Inform all vendors of the criteria for peer groups and inform each individual vendor of its peer group assignment;
16. Monitor Vendor for compliance with program requirements;
17. Audit Vendor records, as required;
18. Arrange for requested administrative reviews, as established in the Vendor Guide;
19. Provide to authorized vendors a WIC vendor stamp for use in redeeming FIs and CVVs (until EBT is implemented);
20. Provide to authorized vendors a sign, sticker or other notice of authorization as a WIC Vendor for the vendor to display in an area readily visible to WIC participants and proxies;
21. Allow the Vendor's bank to apply a vendor stamp number electronically in redeeming FIs and CVVs in lieu of the WIC vendor stamp as established in the Vendor Guide;
22. Provide annual training for the Vendor, to include one interactive training session at least every three years;
23. Revise the Vendor Guide to reflect any changes in Federal or State statutes, regulations, policy or procedure or as otherwise needed;
24. Notify Vendor of changes to Federal or State statutes, regulations, policies, or procedures governing the Program within a reasonable time before the changes are implemented;
25. Provide Vendor with at least 15 days' advance written notice of the expiration of the Vendor Agreement; and
26. Comply with the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Parts 15, 15a and 15b of Title 7 of the Code of Federal Regulations, Age Discrimination Act of 1975 and section 504 of the Rehabilitation Act of 1973, and U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS) instructions, to ensure that no otherwise qualified person be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination in any manner on the basis of race, color, national origin, sex, age, or disability.

Part C. Vendor Acknowledges:

1. **Competitive Pricing:** The State agency will complete, and Vendor acknowledges that it is subject to, a periodic competitive pricing analysis of all WIC vendors that may result in recoupment from the Vendor which may include offset against current and subsequent amounts owed to the Vendor. Vendors that fail to maintain competitive price levels are subject to termination of the vendor agreement for failure to meet this selection criterion.
2. **Sanctions:** Sanctions are actions which will be taken by the State agency when the Vendor fails to comply with applicable Federal law, regulations, and/or State law. Sanctions include

disqualifications, civil money penalties (CMPs), and fines. A complete sanction schedule is found in the Vendor Guide. A disqualification from the WIC Program may result in disqualification as a retailer in SNAP. Such disqualification from SNAP as a result of WIC disqualification is not subject to administrative or judicial review under SNAP. Any unaddressed violations will carry forward from one authorization period to another. When the State agency disqualifies a Vendor, the State agency must also terminate the Vendor Agreement.

- a. The State agency must notify the Vendor in writing when an investigation reveals an initial incidence of a violation for which a pattern of incidences must be established in order to impose a sanction, before another such incidence is documented, unless the State agency determines, in its discretion, on a case-by-case basis, that notifying the Vendor would compromise an investigation. Notification will not be provided for a pattern of claiming reimbursement for the sale of an amount of a specific supplemental food item that exceeds documented inventory.
 - b. A vendor who commits fraud or abuse in the Program is liable to prosecution under applicable Federal, State, or local laws. Vendors that have willfully misapplied, stolen or fraudulently obtained program funds will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.
 - c. Vendors may be subject to actions in addition to the sanctions in this section, such as: claims; penalties set forth in C.1.b. above; mandatory training; and/or Vendor implementation of State agency approved corrective action.
3. **Effect on Other Stores under Same Ownership.** If an individual, partnership, corporation, limited liability company, or other business structure is convicted of a criminal offense involving WIC, SNAP, or any other program funded and administered by the Food and Nutrition Service of the U.S. Department of Agriculture, all grocery stores wholly or partially owned or managed by the convicted individual, partnership, corporation, limited liability company, other business structure, or by a partner of a convicted partnership or an officer, of a convicted corporation or a convicted limited liability company, shall be terminated from vendor authorization and shall be ineligible for future vendor authorization for the maximum period of time allowed by Federal law and regulations. This termination and period of ineligibility shall occur whether or not the grocery store was the location at which the crime occurred, and regardless of whether or not a penalty was imposed upon the convicted party by the court of competent jurisdiction.
4. **Information Sharing:** State agency may share information obtained from the vendor application process with Federal, State and local law enforcement agencies and Federal and State tax authorities for the purposes of eligibility determination, law enforcement and collection of forfeitures, recoupments and forfeiture assessments.
5. **Administrative Review Procedures:** A vendor that is aggrieved by one of the adverse actions listed in 7 C.F.R. § 246.18(a)(1)(i) or (ii) may file with the Louisiana Division of Administrative Law a formal request for administrative review (appeal) in accordance with instructions contained in the notice of adverse action. All appeals shall be conducted in accordance with the Louisiana Administrative Procedure Act (R.S. 49:950, *et seq.*) and 7 C.F.R. § 246.18, including the “full administrative review” procedures set forth in 7 C.F.R. § 246.18(b). The actions listed in 7 C.F.R. § 246.18(a)(1)(iii) shall not be subject to administrative review or appeal.

6. General Conditions:

- a. The State agency will terminate this Agreement if it identifies a conflict of interest, as defined by applicable State laws, regulations and policies (as determined by the State agency) between Vendor and the State agency or local WIC agencies, or if it determines that Vendor has provided false information in connection with its application for authorization.
- b. The State agency may terminate this Agreement if any of the provisions herein are violated.
- c. The Vendor may voluntarily terminate this Agreement for cause upon fifteen (15) days' written notice to the State agency.
- d. The State agency reserves the right to amend this Agreement upon thirty (30) days' written notice to Vendor; if such changes are not agreeable to the Vendor, the Vendor may choose to voluntarily terminate this Agreement.
- e. Neither party has any obligation to renew this Agreement.

Specific to Reimbursements for EBT System Costs – the Vendor Acknowledges:

7. If a vendor who accepted State agency reimbursement for the installation of a commercial EBT ECR system is terminated from the WIC Program for fraud, abuse, or violation of WIC policies or is closed within 12 months of the EBT certification date, the vendor must return a pro rata share of the total reimbursement to the State agency (pro rata straight line unused portion of the 12 months since the ECR system was installed).
8. Vendor will reimburse the State agency pro-rata for WIC EBT system costs, if applicable, for any outlet covered by this Agreement that is disqualified, terminated, or closed by the vendor.

EBT Ongoing Maintenance and Operational Costs – the Vendor Acknowledges:

9. The State agency shall not pay for ongoing maintenance, processing fees or operational costs for vendor systems and equipment used to support WIC EBT after the State agency has implemented WIC EBT statewide, unless the equipment is used solely for the WIC Program or the State agency determines the vendor using multi-function equipment is necessary for participant access. Costs shared by a WIC State agency will be proportional to the usage for the WIC Program.

Part D. Signatures: This Agreement, the rules and regulations referenced therein, together with the Vendor Guide, contain all terms and conditions agreed upon by the parties. The Vendor agrees that the person with the legal authority to obligate the Vendor has read, understands, and will comply with the terms of this Agreement.

The undersigned represents that s/he is an owner or has other legal authority to obligate Vendor. In all instances, the State agency will advise the Vendor of the effective dates of the Agreement. The Vendor shall process WIC transactions only during the period of authorization within the effective dates of the Vendor Agreement. For initial applicants, this Agreement is effective after it has been signed by both parties, training is completed, an on-site preauthorization visit has been conducted in the Vendor's physical location, and the WIC vendor stamp has been provided and/or the vendor's EBT ECR system has

been certified. If the Vendor is making reapplication, this Agreement is effective on _____ or the date signed by the State agency, whichever is later.

This Agreement consists of this page and eleven previous pages all bearing a revision date of 08/24/2018.

Print Name and Title Person
with legal authority to obligate Vendor

SIGNATURE FOR VENDOR

Date Signed

WIC Vendor Number (if renewal application)

The undersigned has authority to sign this Agreement on behalf of the Louisiana WIC Program:

Authorizing Authority - Nutrition Services
(Print Name and Title)

STATE AGENCY OFFICIAL'S SIGNATURE

Date Signed

Attachment: Louisiana WIC Vendor Guide